

# HOUSE BILL No. 1227

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 22-4-25-1; IC 22-4-25-3.

**Synopsis:** Funding for Hometown Plans. Provides that distributions for training and counseling assistance provided by a Hometown Plan or Vincennes University from the special employment and training services fund (SETSF) are no longer linked to distributions formerly made under an expired statute. Annually appropriates money from the state general fund to make up the difference if the balance in the SETSF is insufficient for making the specified distributions for training and counseling assistance provided by a Hometown Plan or Vincennes University. Makes an appropriation from the state general fund to make up the difference, if any, between the specified distribution amounts for training and counseling assistance provided by a Hometown Plan or Vincennes University and any amounts actually distributed in 2013.

**Effective:** July 1, 2014.

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## Moseley

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January 14, 2014, read first time and referred to Committee on Ways and Means.

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Introduced

Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1227

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 22-4-25-1, AS AMENDED BY P.L.182-2009(ss),  
2       SECTION 368, IS AMENDED TO READ AS FOLLOWS  
3       [EFFECTIVE JULY 1, 2014]: Sec. 1. (a) There is created in the state  
4       treasury a special fund to be known as the special employment and  
5       training services fund. All interest on delinquent contributions and  
6       penalties collected under this article, together with any voluntary  
7       contributions tendered as a contribution to this fund, shall be paid into  
8       this fund. The money shall not be expended or available for  
9       expenditure in any manner which would permit their substitution for  
10      (or a corresponding reduction in) federal funds which would in the  
11      absence of said money be available to finance expenditures for the  
12      administration of this article, but nothing in this section shall prevent  
13      said money from being used as a revolving fund to cover expenditures  
14      necessary and proper under the law for which federal funds have been  
15      duly requested but not yet received, subject to the charging of such  
16      expenditures against such funds when received. The money in this fund

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1 shall be used by the board for the payment of refunds of interest on  
2 delinquent contributions and penalties so collected, for the payment of  
3 costs of administration which are found not to have been properly and  
4 validly chargeable against federal grants or other funds received for or  
5 in the employment and training services administration fund, on and  
6 after July 1, 1945. Such money shall be available either to satisfy the  
7 obligations incurred by the board directly, or by transfer by the board  
8 of the required amount from the special employment and training  
9 services fund to the employment and training services administration  
10 fund. The board shall order the transfer of such funds or the payment  
11 of any such obligation or expenditure and such funds shall be paid by  
12 the treasurer of state on requisition drawn by the board directing the  
13 auditor of state to issue the auditor's warrant therefor. Any such warrant  
14 shall be drawn by the state auditor based upon vouchers certified by the  
15 board or the commissioner. The money in this fund is hereby  
16 specifically made available to replace within a reasonable time any  
17 money received by this state pursuant to 42 U.S.C. 502, as amended,  
18 which, because of any action or contingency, has been lost or has been  
19 expended for purposes other than or in amounts in excess of those  
20 approved by the bureau of employment security. The money in this  
21 fund shall be continuously available to the board for expenditures in  
22 accordance with the provisions of this section and shall not lapse at any  
23 time or be transferred to any other fund, except as provided in this  
24 article. Nothing in this section shall be construed to limit, alter, or  
25 amend the liability of the state assumed and created by IC 22-4-28, or  
26 to change the procedure prescribed in IC 22-4-28 for the satisfaction of  
27 such liability, except to the extent that such liability may be satisfied by  
28 and out of the funds of such special employment and training services  
29 fund created by this section.

30 (b) Whenever the balance in the special employment and training  
31 services fund exceeds eight million five hundred thousand dollars  
32 (\$8,500,000), the board shall order payment of the amount that exceeds  
33 eight million five hundred thousand dollars (\$8,500,000) into the  
34 unemployment insurance benefit fund.

35 (c) Subject to the approval of the board and the availability of funds,  
36 on July 1, 2008, and each subsequent July 1, the commissioner shall  
37 release:

38 (1) one million dollars (\$1,000,000) to the state educational  
39 institution established under IC 21-25-2-1 for training provided  
40 to participants in apprenticeship programs approved by the United  
41 States Department of Labor, Bureau of Apprenticeship and  
42 Training;



(2) four million dollars (\$4,000,000) to the state educational institution instituted and incorporated under IC 21-22-2-1 for training provided to participants in joint labor and management apprenticeship programs approved by the United States Department of Labor, Bureau of Apprenticeship and Training;

(3) two hundred fifty thousand dollars (\$250,000) for journeyman upgrade training to each of the state educational institutions described in subdivisions (1) and (2);

(4) four hundred thousand dollars (\$400,000) annually for training and counseling assistance:

(A) provided by Hometown Plans under 41 CFR 60-4.5; and

(B) approved by the United States Department of Labor, Bureau of Apprenticeship and Training;

to individuals who have been unemployed for at least four (4) weeks or whose annual income is less than twenty thousand dollars (\$20,000); and

(5) three hundred thousand dollars (\$300,000) annually for training and counseling assistance provided by the state institution established under IC 21-25-2-1 to individuals who have been unemployed for at least four (4) weeks or whose annual income is less than twenty thousand dollars (\$20,000) for the purpose of enabling those individuals to apply for admission to apprenticeship programs offered by providers approved by the United States Department of Labor, Bureau of Apprenticeship and Training.

~~(d) The funds released under subsection (c)(4) through (c)(5):~~

~~(1) shall be considered part of the amount allocated under section 2.5 of this chapter; and~~

~~(2) do not limit the amount that an entity may receive under section 2.5 of this chapter.~~

~~(c)~~ **(d)** Each state educational institution described in subsection (c) is entitled to keep ten percent (10%) of the funds released under subsection (c) for the payment of costs of administering the funds. On each June 30 following the release of the funds, any funds released under subsection (c) not used by the state educational institutions under subsection (c) shall be returned to the special employment and training services fund.

SECTION 2. IC 22-4-25-3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: **Sec. 3. (a) This section applies to a state fiscal year beginning after June 30, 2014.**

**(b) There is annually appropriated to the budget agency an**



1 amount sufficient to make any allotment required by subsection (c)  
 2 from the state general fund for its use in carrying out the purposes  
 3 of this section.

4 (c) If the commissioner determines that the balance in the  
 5 special employment and training services fund is insufficient to  
 6 release the total amount described in section 1(c)(4) through 1(c)(5)  
 7 of this chapter, the commissioner shall request an allotment from  
 8 the budget agency in an amount sufficient to pay the difference  
 9 between the amount available and the total amount described in  
 10 section 1(c)(4) through 1(c)(5) of this chapter. The budget agency  
 11 shall approve the commissioner's request and allot the requested  
 12 amount to the board before July 15. The commissioner shall  
 13 release the allotted amount in the manner required by section  
 14 1(c)(4) through 1(c)(5) of this chapter before August 1.

15 (d) Money released under this section must be used for the  
 16 purposes described in section 1(c)(4) through 1(c)(5) of this  
 17 chapter.

18 SECTION 3. [EFFECTIVE JULY 1, 2014] (a) There is  
 19 appropriated to the unemployment insurance board an amount  
 20 equal to the difference between:

21 (1) the total amount described in IC 22-4-25-1(c)(4) through  
 22 IC 22-4-25-1(c)(5); minus

23 (2) the total amount, if any, distributed in 2013 for the  
 24 purposes described in IC 22-4-25-1(c)(4) through  
 25 IC 22-4-25-1(c)(5);

26 from the state general fund for the board's use in carrying out this  
 27 SECTION after June 30, 2014, and before July 1, 2015.

28 (b) Before August 1, 2014, the commissioner of workforce  
 29 development shall release the amount appropriated to the  
 30 unemployment insurance board under subsection (a) in the manner  
 31 that money is released under IC 22-4-25-1(c)(4) through  
 32 IC 22-4-25-1(c)(5) on July 1 of each year.

33 (c) Money released under subsection (b):

34 (1) must be used for the purposes described in  
 35 IC 22-4-25-1(c)(4) through IC 22-4-25-1(c)(5); and

36 (2) is in addition to any money released by the commissioner  
 37 of workforce development under IC 22-4-25-1(c)(4) through  
 38 IC 22-4-25-1(c)(5) on July 1, 2014.

39 (d) This SECTION expires July 1, 2015.

